

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion,)	
to implement the provisions of Section 10a(1)(c))	Case No. U-16086
of 2016 PA 341 by ALPENA POWER COMPANY.)	
_____)	

At the July 12, 2017 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman
Hon. Norman J. Saari, Commissioner
Hon. Rachael A. Eubanks, Commissioner

ORDER

On December 21, 2016, Public Act 341 of 2016 (Act 341), an amendment to Public Act 3 of 1939; MCL 460.1 *et seq.*, was signed into law. Section 10a(1)(c) of Act 341, MCL 460.10a(1)(c), provides that the Commission shall adjust the cap for no more than two consecutive calendar years for a utility that serves less than 200,000 customers in this state and has not had any load served by an alternative electric supplier (AES) in the preceding four years.

On April 28, 2017, the Commission issued an order in Case No. U-15801 updating the existing electric choice procedures in accordance with Act 341. However, out of concern for the correct interpretation and implementation of the final sentence of MCL 460.10a(1)(c), the Commission invited interested persons to submit legal briefs. Specifically, the Commission requested that the briefs address the question of whether the cap should immediately be adjusted for any of the applicable utilities on April 20, 2017, which would then remain in effect at that

level for two consecutive years, or whether the Commission should wait to adjust the choice cap based on choice participation during 2017 before implementing any required choice cap reduction during 2018.

In the June 15, 2017 order in this case (June 15 order), the Commission stated that all applicable utilities shall file, in their assigned docket, their preceding calendar year sales, weather-adjusted retail sales for the preceding year, the resulting cap with all supporting documentation, and the number of customers currently served in Michigan. Additionally, the June 15 order stated that the Commission would adjust the choice cap to 0% for any utility serving fewer than 200,000 Michigan customers with no load served by an AES during the four-year period of April 20, 2013, to April 20, 2017, for the remainder of 2017, plus the full calendar year of 2018.

On June 27, 2017, Alpena Power Company (Alpena) filed all required data and documentation in its assigned docket. The data and documentation filed by Alpena confirms that the company serves fewer than 200,000 Michigan customers and has not had any load served by an AES during the four-year period of April 20, 2013, to April 20, 2017.

THEREFORE, IT IS ORDERED that:

A. Pursuant to MCL 460.10a(1)(c), Alpena Power Company's choice cap shall be set to 0% for the remainder of 2017, plus the full calendar year of 2018, and shall be automatically reset to 10% with their final annual February 1, 2019 choice cap filing.

B. On a going forward basis and absent a further Commission order, the choice cap for Alpena Power Company will be adjusted every two years.

C. Pursuant to the June 15, 2017 order in Case No. U-15801, Alpena Power Company shall continue to file, annually, in this case their respective level of preceding calendar year sales,

weather-adjusted retail sales for the preceding calendar year, the resulting cap with all supporting documentation necessary, and the number of Michigan customers being served. This information shall be filed annually even if electric choice caps are set at 0%.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, under MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Commission's Executive Secretary at mpscdockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungp1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Sally A. Talberg, Chairman

Norman J. Saari, Commissioner

Rachael A. Eubanks, Commissioner

By its action of July 12, 2017.

Kavita Kale, Executive Secretary